Sunshine Mining Company

P. O. BOX 1080 PHONE: Area Code 208 783-1211

Kellogg, Idaho
83837

May 10, 1982

Online Seelogist

Seelogist

Mr. Thomas N. Tetting
Engineer Geologist
Utah Division of Oil,
Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re: Burgin Project ACT/047/009 Utah County, Utah

Dear Mr. Tetting:

The purpose of this letter is to address the five remaining unresolved issues relating to Sunshine's January 1982, Notice of Intention to Commence Mining operations. It is our hope that the ammendments herein can be quickly processed by the Division so that the application may be presented to the Board of Oil, Gas and Mining at the May meeting. Following are Sunshine's responses to the five issues outlined by the Division in your letter dated April 16, 1982.

1) The Division suggested that Sunshine determine a more detailed baseline cover figure for the permit area by running three to five vegetation transects. Sunshine retained American Chemical Labs of Salt Lake City for that purpose and fieldwork was completed on May 4, 1982. Four transects were run (3600" each) to develop the following baseline cover figures.



Transect	Vegetation (Inches)	Cover (Percent)
A (3600" east facing slope)	181.5	5.04
B (3600" north facing slope)	356.5	9.90
C (3600" southwest facing bottom ground)	671.5	18.65
D (3600" south facing slope)	189.0	5.25

Transects A and D are most representative of the type area to be disturbed and revegetated by Sunshine. Transect B exhibited slightly increased cover due to decreased sun stress on north facing slopes while transect C exhibited the maximum cover found in the bottom areas where moisture collects and where soils have been deposited by erosion.

2) Sunshine had adopted the seed mix recommended by the Division because it was our understanding that the mix intended for the waste rock and topsoil piles was also the recommended mix for general revegetation in the area (see Portle/Linner letter dated December 2, 1981). However, Sunshine will return to the original seed mix as specified on page 31 of the Application Support Document with the exception that crested wheatgrass will be included in the mixture.

In the opinion of our consultants, crested wheatgrass is one of the few species that can realistically be expected to germanate and survive in the harsh environment of the permit area. Additionally, Sunshine has received a request from Mr. Lee Okelberry, who owns grazing rights in the area, that crested wheatgrass be planted as forage for his sheep. Mr. Okelberry also confirmed that in his experience cresed wheatgrass is about the only forage that can be expected to grow in the area. As discussed in the Application Support Document, the permit area is zoned for mining and grazing. For this reason, the inclusion of crested wheatgrass is compatible with both current and future land use planning goals.

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- 3) Sunshine agrees that the addition of \$300.00 to the surety bond amount is a fair representation of the expected cost of test plot monitoring.
- 4) Soil nutrient recommendations were developed by Colorado State University Soils Testing Laboratory after analysis of samples collected in the permit area. Results of analysis of soils are listed on page 26 of the Application Support Document.

Soil currently stored in the topsoil stockpile was excavated from the hillside to make room for the hoist building and all such soils will be returned to the same area upon removal of the hoist building. The soil will be placed to depths necessary to conform to the naturally existing slope of the hillside as discussed on page 33 of the Application Support Document.

5) The Division's bond estimate (see Tetting letter dated April 16, 1982) incorporated Sunshine's calculations along with some minor additional values which Sunshine agrees are fair and representative. It is understood now that the estimate must also be adjusted for inflation (at 13% annual rate) for the period of the planned work (3 years) plus an additional three year period after abandonment and prior to bond release. According to our calculations, this would increase the amount quoted by the Division (see Tetting letter dated April 16, 1982) from 46,831 to \$67,572 derived as follows:

Bond amount =  $$46,831 \times 1.13/yr \times 3 yrs = $67,572$ 

Sunshine will secure surity bonding in the amount of \$67,572 as required by the Division.

Tom, I believe the above clarifications correspond to the verbal agreements we reached over the telephone last week. However, if any problems still exist, or if you have any further questions, please call me at (208) 783-1211. As I mentioned earlier, we would appreciate your quick processing of these clarifications so that we can go before the Board at the May 27 meeting, if at all possible.

Sincerely yours,

William B. Booth

Environmental Affairs Officer

WBB/sml

cc: Carl Johnson Wm. Anderson